

51-8-501 Process to release or modify restrictions on management, investment, or purpose.

- (1)
 - (a) With the donor's consent in a record, an institution may release or modify, in whole or in part, a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund.
 - (b) A release or modification may not allow a fund to be used for a purpose other than a charitable purpose of the institution.
- (2)
 - (a) If a restriction contained in a gift instrument on the management or investment of an institutional fund becomes impracticable or wasteful or impairs the management or investment of the fund, or if because of circumstances not anticipated by the donor a modification of a restriction will further the purposes of the fund, the court, upon application of the institution, may modify the restriction.
 - (b) The institution shall notify the attorney general, who must be given an opportunity to be heard.
 - (c) To the extent practicable, any modification must be made in accordance with the donor's probable intention.
- (3)
 - (a) If a particular charitable purpose or a restriction contained in a gift instrument on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or wasteful, the court, upon application of an institution, may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument.
 - (b) The institution shall notify the attorney general, who must be given an opportunity to be heard.
- (4) If an institution determines that a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible to achieve, or wasteful, the institution, 60 days after notification to the attorney general, may release or modify the restriction, in whole or part, if:
 - (a) the institutional fund subject to the restriction has a total value of less than \$25,000;
 - (b) more than 20 years have elapsed since the fund was established; and
 - (c) the institution uses the property in a manner the institution reasonably determines to be consistent with the charitable purposes expressed in the gift instrument.

Enacted by Chapter 59, 2007 General Session